

**GOVERNMENT OF PUERTO RICO  
PUBLIC SERVICE REGULATORY BOARD  
PUERTO RICO ENERGY BUREAU**

<b>NEPR</b>  <b>Received:</b>  <b>Sep 16, 2022</b>  <b>10:48 AM</b>
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**IN RE:** REVIEW OF LUMA’S INITIAL BUDGETS

**CASE NO.:** NEPR-MI-2021-0004

**SUBJECT:** Request for Continuance of Technical Conference Scheduled for September 27, 2022

**REQUEST FOR CONTINUANCE OF TECHNICAL CONFERENCE  
SCHEDULED FOR SEPTEMBER 27, 2022**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority (PREPA), through its counsel of record, and respectfully submits and prays as follows:

1. After various procedural milestones in the case of caption, on August 25, 2022, the Energy Bureau issued a *Resolution and Order* (“August 25 Order”) amending the procedural calendar and scheduling a virtual technical conference to be held on September 13, 2022. Per the August 25 Order, during the Virtual Technical Conference, LUMA Energy, LLC and LUMA Energy ServCo., LLC (collectively, LUMA) had to present and discuss the proposed FY 2023 Budgets thoroughly. Also, LUMA and PREPA representatives and their consultants had to be prepared to answer questions under oath from the Energy Bureau, its staff, and consultants regarding its presentation and all aspects of the proposed FY 2023 Budgets. Aug. 25 Order at p. 2.

2. On September 7, 2022, the Energy Bureau entered a subsequent *Resolution and Order* (“September 7 Order”) in which it stated that one day would not be sufficient to conduct the Virtual Technical Conference in its entirety and that a second day would be warranted. Thus, the Energy Bureau resolved to amend the procedural calendar and scheduled September 14 as the second day for the Technical Conference in which LUMA and PREPA had to appear to discuss the FY23 Budgets. Sept. 7 Order at p. 1.

3. On September 9, 2022, LUMA filed a motion titled *Urgent Request to Re-schedule Second Day of Technical Conference and Issuance of Agenda* (“Request for Rescheduling”). In the Request for Rescheduling, LUMA informed that several of the LUMA and PREPA’s witnesses and management personnel were not available to appear before this honorable Energy Bureau on September 14, 2022. LUMA also informed that, after conferring with PREPA, the earliest availability for both LUMA and PREPA was on September 27, 2022.

4. On September 13, 2022, the Energy Bureau held the first day of the Virtual Technical Conference (“September 13 Conference”). At the beginning of the conference, the Energy Bureau addressed the Request for Rescheduling. It informed the parties that if it could not complete the examination of the FY 2023 Budgets that day, the Virtual Technical Conference would be rescheduled for September 27, 2022, the date offered as available by both LUMA and PREPA in the Request for Rescheduling.

5. During the September 13 Conference, the Energy Bureau swore in LUMA and PREPA’s witnesses. Afterward, PREPA’s witnesses were dismissed, and the Energy Bureau proceeded to examine LUMA’s witnesses and inquire about the LUMA portion of the FY23 Budget. Following the Energy Bureau’s orders, PREPA’s witnesses returned to the September 13 Conference at 1:30 pm. However, the Energy Bureau did not conclude LUMA’s examination and PREPA was not questioned that day.

6. At the end of the September 13 Conference, the Energy Bureau entered a Bench Order directing LUMA to respond to several requests for information that had been issued during the day. Further, the Energy Bureau confirmed that the Virtual Technical Conference would be continued to September 27, 2022 (“September 27 Conference”) and ordered LUMA and PREPA

to appear on that day to continue the discussion of the FY23 Budgets, including the responses to the requests for information issued to LUMA on that day.

7. After the September 13 Conference concluded, PREPA's officers and advisors met to discuss the next steps and coordinate for the second day of the Technical Conference. During that meeting, PREPA confirmed schedules and found out that its leading financial advisor, Lucas Porter from Ankura Consulting Group, is not available to appear on September 27, 2022. Therefore, PREPA requests the Energy Bureau to continue PREPA's participation in the September 27 Conference to any date after October 6, 2022, when Mr. Porter is available again.

8. The participation of Mr. Porter on behalf of PREPA in the discussion of the FY23 Budgets is critical. As has been informed to the Energy Bureau on several occasions, the situation of employee attrition that PREPA is confronting is significant. This reduction is caused by retirements and the financial constraints that do not allow PREPA to offer competitive salaries to critical operational and employees as a retention strategy. The attrition was further exacerbated after June 1, 2022, when LUMA began operating the T&D System and more than 3,000 PREPA employees resigned or were mobilized to the Central Government. This has created a situation where PREPA has had to rely significantly on consultants and advisors. This is the case for the development of yearly budgets and the presentation of these to stakeholders and also the Energy Bureau. The main advisor and lead of the draft and strategy behind the PREPA budgets is Mr. Porter. Thus, his participation and support to PREPA during the Virtual Technical Conference is of the utmost importance to PREPA. Further, as the Energy Bureau knows, Mr. Porter has rendered financial services to PREPA since the original 2017 rate case. Therefore, his knowledge is essential and irreplaceable. His participation will not only assist PREPA during the evaluation of the FY23 Budgets but will also benefit the Energy Bureau's assessment of the budgets since

Mr. Porter has been duly prepared since the first technical conference scheduled to be held on June 10, 2022. Wherefore, PREPA understands that the request to reschedule the Technical Conference based on Mr. Porter's unavailability is warranted.

**WHEREFORE**, it is respectfully requested that the Energy Bureau continues PREPA's participation in the September 27 Conference to on or after October 7, 2022.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, on this 16<sup>th</sup> day of September 2022.

*s/ Katuska Bolaños-Lugo*  
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**CERTIFICATE OF SERVICE**

It is hereby certified that I have filed the foregoing with the Clerk of the Energy Bureau using the electronic filing system and that I have served a copy to Margarita Mercado Echegaray, [margarita.mercado@us.dlapiper.com](mailto:margarita.mercado@us.dlapiper.com).

In San Juan, Puerto Rico, on this 16<sup>th</sup> day of September 2022.

s/ Katuska Bolaños-Lugo  
Katuska Bolaños-Lugo